

Who Should Be Contacted for Additional Information?

The UCDC office is available to respond to questions and provide additional information.

Information is also available on UCDC's Web site at www.ulsterny.com.

UCDC staff can be reached at:

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Chair

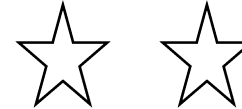
Lance Matteson
President



ULSTER COUNTY Revolving Loan Funds



WHAT ARE RLFS?



ADMINISTERED BY:

ULSTER COUNTY DEVELOPMENT CORPORATION

SPONSORED BY:

ULSTER COUNTY DEVELOPMENT CORPORATION

ULSTER COUNTY

TOWN OF ESOPUS

TOWN OF LLOYD

TOWN OF SHAWANGUNK

TOWN OF WAWARSING

What is a Revolving Loan Fund?

Revolving Loan Funds (RLFs) are flexible financing tools for communities to provide loans to local businesses, which in turn, create jobs and leverage other private investment while helping a community diversify and stabilize its economy.

While RLFs are frequently created through grants from the federal or state government, the RLFs are locally administered. All decisions are made in the community and as loans are repaid to the RLF, the funds are available for additional lending to other local start-up or expanding businesses.

What Revolving Loan Funds are Available Through the Ulster County Development Corporation?

The Ulster County Development Corporation (UCDC) administers regional, county-wide and local RLFs. These include:

- UCDC Telecommunications Fund
- Ulster County Revolving Loan Funds
- Ulster County Micro Loan Fund
- Ulster County Small Business Loan Fund
- Town of Esopus Waterfront Development Loan Fund
- Town of Lloyd Revolving Loan Fund
- Town of Shawangunk Revolving Loan Fund
- Town of Warwarsing Revolving Loan Fund
- TEAM Hudson Valley Regional Revolving Loan Fund

Why are RLFs Necessary?

The RLFs were created to fill the gap between what a business finance needs are and what can be borrowed.

Working in partnership with local and regional banks and other lenders, the RLFs can help to complete a businesses financing package by offering fixed rate, low interest loans, revolving lines of credit or loan guarantees. In addition, by blending a lower RLF interest rate with traditionally higher conventional lender rates, the overall financing costs will be lower.

Who Can Apply for a RLF Loan?

In order to qualify for a loan from a RLF, generally you must :

- Be a sole proprietorship, partnership or corporation.
- Be unable to finance your project on reasonable terms through conventional lending sources.
- Possess good character and reputation. Because the funds for future projects came from loan repayments, it is important that borrowers honor the terms of a loan. Like banks and other conventional lenders, the RLF gets this information from creditors, employees and others who know the borrower.

What Types of Projects Will the RLFs Support?

The RLFs will support projects that lead to the retention or creation of private sector jobs and leverage public and private investment in municipalities of Ulster County. The financial assistance will generally be in the following areas:

- Acquiring land for commercial, industrial or related uses.
- Acquiring abandoned properties for redevelopment.
- Developing real estate, including rehabilitating historic buildings for industrial or commercial use.
- Investments which will speed up “recycling” of land and facilities, to create job opportunities.
- Minority and women owned enterprises.
- Start-up businesses which demonstrate a strong probability of succeeding.
- Other projects and activities which the RLFs believe meet the general intent and purpose of the fund.

Loans made by RLFs generally may be used for a wide variety of business expenses, including: land costs; building costs; machinery and equipment costs; start-up and working capital; infrastructure costs; and relocation costs.

What Types of Projects will the RLFs not Support?

Projects which generally are not supported by the RLFs include:

- Projects where reasonable alternative financing can be arranged.
- Speculative building or renovation, or real estate speculation, unless it can be shown that the project will create or retain jobs.
- Paying off existing loans to financial institutions or other lenders.
- Projects that may only increase a business’ sales or efficiency without creating or retaining jobs.

How does a Business Apply for a Loan?

Since not all RLFs serve the same communities, and some may have unique goals or lending criteria, all applicants should first contact UCDC. Working with a potential borrower UCDC will assist in identifying the most appropriate RLF and developing a loan application.

What is the Review Process for the Application?

Each RLF has an established Loan Review Committee. The UCDC will work with the Loan Review Committees to evaluate the following:

- The number and kind of jobs to be created or retained.
- Participation of other lending sources.
- Financial viability of the project.
- Requirements for pollution control and related improvements.
- Tax payments.

How Long Does it Take to Receive a Decision on the Application?

Generally RLFs seek to provide a determination on applications within sixty (60) to ninety (90) days of submission. The time may vary depending on the time of year and the number of proposals submitted for funding consideration.